



Department of Planning, Building and Code Enforcement  
801 North First Street, Room 400  
San José, California 95110-1795

Hearing Date/Agenda Number:  
P.C. – 10/30/02      Item 3b2 & b3

File Number:  
GP02-07-04/GPT02-07-04

Council District and SNI Area:  
7 – N/A

Major Thoroughfares Map Number:  
100

Assessor's Parcel Number(s):  
455-09-003, 010, 030, 031, 034, 035,  
043 & 038

Project Manager: Mike Mena

## GENERAL PLAN REPORT

### 2002 Fall Hearings

#### PROJECT DESCRIPTION:

General Plan amendment request to change the Land Use / Transportation Diagram designation from Combined Industrial/Commercial, Heavy Industrial, and Single-Family Detached & Attached (8-16 DU/AC) (Communications Hill Planned Residential Community) to High Density Residential (25-50 DU/AC) (Communications Hill Planned Community).

**LOCATION:** Southwest corner of Monterey Road and Goble Lane.

**ACREAGE:** 32.7 acres

#### APPLICANT/OWNER:

Roem Development Corp./The Goble Family

#### GENERAL PLAN LAND USE / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Heavy Industrial (17 acres), Combined Industrial/Commercial (8.7 acres) and Single-Family Detached & Attached (8-16 DU/AC) (7 acres) (Communications Hill Planned Residential Community)

Proposed Designation: High Density Residential (25-50 DU/AC) (Communications Hill Planned Residential Community)

**EXISTING ZONING DISTRICT(S):** HI Heavy Industrial, R-MH Residential Mobile Home Park

#### SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: Chateau La Salle Mobile Home Park – Single-Family Detached & Attached (8-16 DU/AC) (Communications Hill Planned Community)

South: Industrial uses (i.e., auto uses, trucking facilities & aggregate stockpiles) – Heavy Industrial and Combined Industrial/Commercial (Communications Hill Planned Community)

East: Monterey Road and Commercial uses – Combined Industrial/Commercial

West: Union Pacific Railroad Tracks and Vacant Land – Industrial Park (Communications Hill Planned Community)

#### ENVIRONMENTAL REVIEW STATUS:

Goble Lane General Plan Amendment Environmental Impact Report

#### PLANNING STAFF RECOMMENDATION:

No change to the General Plan and Communications Hill Specific Plan

Approved by:

Date:

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**PLANNING COMMISSION RECOMMENDATION:**

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**CITY COUNCIL ACTION:**

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**CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:**

**Office of Economic Development** -October 2, 2002 letter (attached) from the Director of Economic Development, Paul Krutko, in opposition to the proposed amendment because of the potential loss of industrially designated land for industrial services and suppliers, which are important to the future economic health of the City.

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**GENERAL CORRESPONDENCE:**

None Received

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**ANALYSIS AND RECOMMENDATIONS:****PROJECT DESCRIPTION**

This is a privately initiated amendment to the San Jose 2020 General Plan Land Use/Transportation Diagram and the Communications Hill Specific Plan to change the land use designation from Heavy Industrial (17 acres), Combined Industrial/Commercial (8.7 acres) and Single-Family Detached & Attached (8-16 DU/AC) (7.0 acres) to High Density Residential (25-50 DU/AC) on a nearly 33-acre site. The area is located on the southwest corner of Monterey Road and Goble Lane. These amendments would allow the development of up to 1,421 dwelling units on the project site. The Communications Hill Planned Residential Community and Specific Plan currently do not include the designation of High Density Residential (25-50 DU/AC). Therefore, the subject amendment also includes associated land use and text amendments to the Communications Hill Specific Plan to include the new designation and reflect the proposed land use change.

**BACKGROUND**

The subject amendment is located within the Communications Hill Specific Plan area. The Communications Hill Specific Plan was adopted in 1992 in order to create a sizable new urban neighborhood in close proximity to Downtown, transportation routes and light rail transit. At the same time, the City Council amended the General Plan to add the Communications Hill Planned Community in order to incorporate the major features of the Specific Plan directly into the General Plan.

A specific plan is a long-range set of policies for land use and development in a defined area. The Communications Hill Specific Plan was prepared in coordination with representatives of the City, the Communications Hill Specific Plan Task Force and local property owners, to identify the desired background, vision, and character for the area. The specific plan also addresses allowed uses and the development criteria at a level of detail beyond the scope of the General Plan.

The Communications Hill Specific Plan identifies the area between Monterey Road and the Union Pacific Railroad right-of-way as planned primarily for industrial and industrial-oriented commercial uses. The intent of the Specific Plan for this subarea is to expand the development opportunities while preserving the integrity of the existing industrial area along Monterey Road. There is a small area (seven acres) designated for residential use to reflect an old, existing mobile home park.

### Existing and Surrounding Land Uses

The project site is bordered by Monterey Road to the east and the Union Pacific Railroad tracks and Communications Hill to the west. Existing zoning districts on the site include HI Heavy Industrial and R-MH Residential – Mobile Home Park. The uses on the site are in conformance with current zoning district(s) and are comprised of eight parcels that are developed with a 54-unit mobile home/trailer park and a multi-tenant industrial complex. Existing uses on the proposed amendment site consist of:

- ❖ A 54-unit mobile home park
- ❖ Various furniture and cabinet shops
- ❖ Iron and craft assembly
- ❖ Auto and mechanical services
- ❖ Equipment storage
- ❖ Vehicle/trucking, equipment, and tool storage yards
- ❖ A packaging company
- ❖ A piping company
- ❖ A disposal facility/junk yard



The Chateau La Salle Mobile Home Park is located north of the site. Uses east and south of the project site consists of industrial-oriented commercial and industrial uses such as auto repair and Raisch Properties aggregate asphalt facility/quarry. Properties to the west of the project site (i.e., west of the railroad tracks) are currently vacant with some quarry use and are planned for future Industrial Park uses.

The proposed amendment site is part of a larger intact industrial area, approximately 375 acres in size. It is located on both sides of Monterey Road, extending generally from Umbarger Road to Capitol Expressway. This area is made up of predominantly industrial and industrial-oriented commercial uses. These uses include heavy and light manufacturing, warehouse, auto-related uses, quarry operations, concrete and asphalt facilities, and other industrial-oriented commercial/retail uses (see Figure 1). This area is also within an Enterprise Zone, providing tax benefits to manufacturers. The Monterey Corridor Redevelopment Project Area is nearby, located north of the County Fairgrounds.

## **ANALYSIS**

The Department of Planning, Building, and Code Enforcement recommends no change to the existing Heavy Industrial, Combined Industrial/Commercial and Single-Family Detached and Attached (8-16 DU/AC) General Plan designations on the subject site. Introducing high density housing on property designated and zoned for industrial and mobile-home residential uses raises many complex and interrelated issues including land use compatibility, environmental impacts and General Plan consistency. Among the key reasons for staff's recommendation of no change to the Land Use/Transportation Diagram are:

- ❖ The proposed high density residential land use is fundamentally incompatible with the existing and planned industrial land uses in the immediate area.
- ❖ The land use change to facilitate a high density residential development within an established industrial area is inconsistent with the Major Strategies, Goals and Policies of the San Jose 2020 General Plan.
- ❖ The proposed high-density residential use, of the subject site is inconsistent with the long-standing plans and vision for the area as portrayed in the Communications Hill Specific Plan.

The Office of Economic Development is also opposed to the General Plan amendment for the reasons stated in an attached letter.

### **Land Use Compatibility**

The subject amendment raises a number of concerns regarding the location of up to 1,421 residential units in such close proximity to existing industrial uses and within an area planned for additional industrial uses.

#### **Surrounding Industrial Uses**

The proposed High Density Residential (25-50 DU/AC) designation for the subject site is incompatible with the existing and planned industrial land uses in the larger 375-acre industrial area. The subject site is not a desirable location for a residential use. Introducing a residential use into this established industrial area would likely result in complaints from new residents about noise, odors, industrial traffic, use of hazardous materials, and other potential impacts of industrial operations. This would impact the viability of the larger industrial area and likely result in restrictions being placed on the existing and future industrial businesses surrounding the site, which would effect the viability of the area for future industrial development.



### Recently Approved General Plan Amendments

A General Plan amendment (GP01-07-02/GPT071-07-02) was approved in May 2002 to change the land use designation for the area located west of the Union Pacific Railroad tracks and adjacent to the subject site from Heavy Industrial and Combined Industrial/Commercial to Industrial Park. This amendment was approved with the understanding that the heavy industrial designations east of the railroad tracks would remain as a vital land use to support future job and economic growth for the City.

In November 2000, the City Council approved a General Plan amendment (GP00-07-01) for the northern 3.9-acre portion of the site. At that time, the applicant requested the land use change from Heavy Industrial and Single-family Detached and Attached (8-16 DU/AC) to Combined Industrial/Commercial in effort to realign Goble Lane and allow industrial redevelopment for the larger Goble property. Staff and the Planning Commission recommended no change to the General Plan primarily due to concerns about the loss and viability of the Redwood Mobile Home Park, a source of affordable housing for residents in San Jose.

Residents of the site were concerned about the current conditions of the site and the loss of their homes. The owner indicated that the General Plan amendment was necessary in order to make improvements to the mobile home park and promised major improvements, including a new sound wall from the new development, repair of sewer lines, repair street lights and electrical services, an updated playground and common area, more visitor parking and new pavement in the park. It was also indicated that no tenants would be required to move. The City Council approved the General Plan amendment in support of industrial redevelopment of the larger Goble property and improvements to the Redwood Mobile Home Park. These improvements have not occurred.

### Adjacent General Plan Amendments Pending Consideration

The current viability of the industrial area is evident by the fact that the adjacent Raisch Products asphalt plant has filed for a General Plan amendment (GP02-07-07) to increase the amount of land designated Heavy Industrial south of the Goble Lane site. The intent of the Raisch amendment request is to expand and upgrade the existing facilities and construct a new corporate headquarters building. The Raisch Company anticipates growth of the company and the need for additional heavy industrial land in order to accommodate future expansion.

Staff is recommending approval of the Raisch request to Heavy Industrial on a 7.7-acre site in the immediate area to support and retain an existing business in San Jose. If Council approves the Goble Lane amendment, it is likely that the new residential community would, over time, put pressure on the existing businesses in the area to limit their activities.

### Policy Consistency

The proposed amendment conflicts with a number of General Plan goals and policies. Of particular importance are those related to the appropriate placement of residential uses to provide a high quality living environment and the preservation of industrial land for economic development. The City of San Jose's General Plan is an adopted statement of goals and policies for the future character and quality of development in the community as a whole. The proposed amendment would result in a loss of approximately 17 acres of the City's limited supply of Heavy Industrial

land. The proposed conversion of the site to high density residential, and its consistency with the General Plan and Communications Hill Specific Plan is discussed below.

#### *Economic Development Major Strategy*

The subject amendment is in conflict with the General Plan's Economic Development Major Strategy. An important component of the Economic Development Major Strategy is the preservation of the City's industrial areas that are critical to the City's economic viability. Light and Heavy Industrial areas, such as the one in which the amendment site is located, provide a location for industrial supplier/service firms to operate. These firms help to fuel the San Jose economy as they are inextricably linked to the region's high technology base by providing needed services or materials to other businesses.

Currently there are approximately 1,100 acres designated in the General Plan as Light Industrial and 2,000 acres designated for Heavy Industrial. The City's industrial lands have declined by more than 32% over the past 20 years due to General Plan changes. This amendment would further reduce the amount of land available for these uses as well as reduce the viability of the remaining portion of this industrial area for existing and future industrial supplier/service firms.

#### *Economic Development Goals and Policies*

The subject amendment request is also inconsistent with the General Plan Economic Development Goals and Policies. These policies include the following:

- Economic Development Policy #2 states that in order to enhance the City's economic development goals and increase employment opportunities for San Jose citizens, the City should:
  1. Seek to attract businesses and industries, which are particularly suited to the area.
  2. Protect the industrial lands designated exclusively for industrial uses.
  3. Attract a diverse mixture of businesses and industries that can provide jobs suitable for the City's unemployed and under-employed labor force.
- Economic Development Policy #7 encourages a mix of land uses in appropriate locations which contribute to a balanced economic base, including industrial suppliers and services, commercial support services, and "green industries" (industries related to recycling or environmental preservation) as well as high technology manufacturers and other related industries.

#### *Industrial Land Use Goals and Policies*

The intent of the General Plan Industrial Land Use Goals and Policies is to encourage the development of industrial land to provide sufficient opportunities for job growth for the City's residents and for expansion of the City's tax base. According to the General Plan, since some of the industrial land use designations allow for development of non-industrial uses, it is critical that the Land Use/Transportation Diagram designates certain areas exclusively for industrial uses. These areas include North San Jose, Edenvale, and along the Monterey Corridor. Reserving some areas exclusively for industrial uses maintains the desirability of those locations in San Jose for potential future industrial users.

Although the project site is located just south of the area formally identified as the Monterey Corridor, the subject industrial area serves as an extension of the corridor and includes a mix of

industrial uses. Therefore, the subject amendment would not be consistent with the intent of the General Plan's Industrial Land Use goals mentioned above. In particular, the subject amendment would be inconsistent with the following Industrial Land Use Policies:

- Industrial Land Use Policy #9 encourages industrial supplier/service business retention and expansion in appropriate areas of the City (e.g., Monterey Corridor).
- Industrial Land Use Policy #11 states that because of the importance in retaining viable industrial supplier/service lands and the inherent incompatibility between residential or non-industrial uses and industrial uses, new land uses that may restrict development of land reserved exclusively for industrial uses should not be allowed to be located adjacent to these areas of the City, and in particular, sensitive receptors, should not be located near primary industrial areas.
- Industrial Land Use Policy #15 states that areas which are exclusively industrial should be reserved for industrial uses to the extent possible.

*Residential Land Use/Neighborhood Identity Goals*

The Residential Land Use Goal of the General Plan is to provide a high quality living environment in residential neighborhoods. Residential Land Use Policies emphasize the protection of existing residential neighborhoods from the encroachment of incompatible activities. Conversely, it is not appropriate to locate new residential uses in areas that could be adversely affected by existing industrial uses, like those that exist in the vicinity of the subject site.

The proposed high-density residential use at this location is also inconsistent with the City's goal that new residential developments should create a sense of neighborhood identity. Introducing a high density residential development on the subject site would essentially result in a housing development that is isolated from other City neighborhoods and neighborhood serving commercial areas.

*Communications Hill Specific Plan Goals and Policies*

A high density residential development on the subject site is inconsistent with the intent of the Communications Hill Specific Plan. The Communications Hill Specific Plan designates the site and surrounding area between Monterey Road and the railroad right-of-way for primarily industrial and industrial-oriented commercial uses. In general, the Plan proposes to expand development opportunities for the immediate area without jeopardizing the current uses.

Additionally the subject amendment would be inconsistent with the following Communications Hill Specific Plan goals and policies:

- Commercial and Industrial Land Use Policies
  1. To preserve existing industrial land primarily for current and future industrial uses with supporting commercial and office uses.
  2. Plan and regulate ongoing and future industrial activities to minimize adverse impacts on nearby land uses.

- Economic Development Land Use Policies
  1. Maintain existing jobs within the Communications Hill Specific Plan area in order to contribute to sustaining the City's economic base as well as the citywide jobs-housing balance.
  2. Maintain the existing industrial uses and encourage their revitalization in order to retain the economic viability of these land uses.

## **Environmental Issues**

The Goble Lane Environmental Impact Report (EIR) was prepared in conformance with the California Environmental Quality Act (CEQA). The EIR provides program level environmental review appropriate for the consideration of amendments to the San Jose 2020 General Plan. The EIR analyzed impacts and proposed mitigation measures, where possible, for the following items:

- land use
- transportation
- air quality
- noise
- hazardous materials
- geology and soils
- hydrology and water quality
- cultural resources
- biology
- utilities
- energy

The EIR identified three significant and unavoidable impacts, including land use, transportation, and air quality. The proposed amendment would result in the conversion of viable industrial land for residential use, contributing to a worsening of the housing/jobs imbalance in San Jose by adding significant new housing and eliminating jobs.

Additionally, the amendment would result in significant and unavoidable long-term transportation impacts. Key transportation "links" in the amendment vicinity, that are already projected to operate at Level of Service "E" or "F" in the long term, would experience traffic volume increases of more than 1.5%, constituting a significant impact. In other words, the proposed amendment would reinforce and worsen the southbound commute pattern during the afternoon/evening for several major streets already projected to operate below the City's Level of Service policy standard ("D").

Air quality is considered a significant unavoidable impact because the project proposes additional residential units and significant population that are not included in the Bay Area Air Quality Management District (BAAQMD) Regional Clean Air Plan. The implementation of identified mitigation measures would reduce the impacts on regional air quality, but not to a less than significant level.

## **PUBLIC OUTREACH**

The property owners within the project boundaries and/or property owners within a 1000-foot radius were sent a newsletter regarding the two community meetings that were held on October 8 and 10, 2002. They also received a hearing notice of the public hearings to be held on the subject amendment before the Planning Commission in October/November and City Council in

December. In addition, the Department's web-site contains information regarding the General Plan process, amendments, staff reports, and hearing schedule. This site is used by the community to keep informed with the status of the amendments.

Comments received by staff at the subject community meetings raised concerns over the displacement of residents from the existing Mobile Home Park on the amendment site. It was stated that typical residents of Mobile Home Parks have low incomes and/or fixed incomes, and would have a difficult time finding new locations for their homes.

### **RECOMMENDATION**

Staff recommends no change to the General Plan Land Use/Transportation Diagram and text, and no change to the Communications Hill Specific Plan.

### **Attachments**

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## PROPOSED GENERAL PLAN TEXT AMENDMENT

Amend Chapter V. – Land Use/Transportation Diagram; Communications Hill Planned Community as follows:

1. **Pg. 158, P. 6:** Communications Hill is one of the most visually prominent features in Santa Clara Valley. The largely undeveloped slopes of Communications Hill itself total about 500 acres and rise over 300 feet above the surrounding Valley floor. The remainder of the Plan area consists of flat land located at the base of the hill, primarily the industrial/commercial and high density residential area along Monterey Road. The Plan area lies along a major north/south transportation spine which provides strong connections to important City and regional destinations via commuter train, light rail line, freeway, expressway and major streets.
2. **Pg. 161, P. 1:** The objective of the Communications Hill Planned Community is to provide a comprehensive framework for development of a unified, high-density, pedestrian-oriented, urban community with a mix of uses on and around Communications Hill. New residential development is located along the ridge and at the foot of the steep slopes and consists of up to ~~4,000~~5,421 primarily multi-family residential units, a small Village Center retail area and supporting public facilities. In the flatland area in proximity to and along Monterey Road, areas have been designated for Heavy Industrial, Light Industrial ~~and~~ Combined Industrial/Commercial and Industrial Park and High Density Residential (25-50 DU/AC) uses. The CHPC also seeks to make the most of the natural amenities within the area, including panoramic views, available from the hill.
3. **Pg. 162, P. 3:** The Communications Hill Planned Community (CHPC) contains a variety of new and existing land uses and land use patterns intended to create a unique mixed use community and to support the sense that the CHPC is a special place. The CHPC includes new multi-family neighborhoods, a small single-family area, a public school, parks, playfields, open spaces, and new and continuing industrial and commercial uses for the areas at the base of the along Monterey Road. In addition, there are a variety of other new and existing uses around the base and lower slopes of the hill: mobile home parks, townhouses, single-family and multi-family houses and a church. Developed properties were included within the CHPC boundaries to ensure a careful integration of the existing uses with the new.
4. **Pg. 162, P. 9:** The Communications Hill Planned Community permits up to ~~4,000~~5,421 dwelling units and requires a minimum density of 24 dwelling units per acre on each block of the multi-family blocks.
5. **Pg. 163, P. 2:** The area at the base of the hills along the southeast portion of the CHPC, adjacent to Monterey Road and the Southern Pacific railway tracks, would ~~maintain its existing~~ consist of industrial/commercial and residential uses ~~emphasis~~. This area is separated from the proposed-residential uses atop the hill by open space, steep topography and Vista Park Drive and is proposed for Industrial Park, Light Industrial, Heavy Industrial, and Combined Industrial/Commercial and High Density Residential (25-50 DU/AC) uses.

## PROPOSED TEXT AMENDMENT TO THE COMMUNICATIONS HILL SPECIFIC PLAN

Amend Chapter 3 – The Plan; Communications Hill Specific Plan as follows:

1. **Pg. 11, P.2:** New residential development is located along the ridge and at the foot of the steep slopes. These well defined neighborhoods edged by grassy slopes are interconnected by streets, stairs and pathways. At the highest point of the ridge there is a village center consisting of small shops, restaurants and services adjacent to a large public park and a parcel designated for a civic building. Downhill from a park circumscribing the AT&T facility there is a larch parcel for playfields and a school. Several smaller neighborhood parks are integrated into the residential fabric throughout the neighborhood. In the flatland of the ~~existing former~~ quarry and along Monterey Road, areas have been designated for industrial park, heavy industrial, ~~and~~ combined industrial commercial and high density residential uses.

Amend Chapter 3.2 – Land Use; Communications Hill Specific Plan as follows:

2. **Pg. 57, P.2:** Where possible, the various land uses have been mixed and not segregated into separate enclaves. This is an important principal of the Plan. New neighborhoods primarily consist of multi-family housing and are located on the ridge or at the foothills. Small neighborhood parks occur within this residential fabric and serve adjacent residents. At the highest point of Communications Hill, the Plan combines a mix of uses – retail, office, commercial, parks, civic facilities and emergency services to make the village center. The hillsides are generally very steep and not developed but are utilized to define the edge of the neighborhoods. The plan proposes ~~Combined Industrial/Commercial~~ Industrial Park and multi-family residential development along the railroad tracks in and adjacent to the ~~existing former~~ quarry area. Grassy slopes buffer this area from the neighborhood uphill and serve as an amenity for both. The Land Use Map to the left shows proposed land uses for the entire study area.
3. **Pg. 57, Figure 38:** This figure, Table of New Proposed Uses, should be modified as follows:

<b>Multi-Family Residential</b>	<b>2500-4000 DU</b>	<b>106.4 AC</b>
<u>High Density Residential (25-50 DU/AC)</u>	<u>0-1421 DU</u>	<u>30.0 AC</u>
<b>Single -Family Residential</b>	<b>10 Lots</b>	<b>10.6 AC</b>
<b>Retail/Commercial</b>	<b>50,000 Sq. Ft.</b>	<b>3 AC</b>
<b>Fire Station</b>	<b>size to be determined</b>	<b>up to 1.5 AC</b>
<b>Civic</b>	<b>size to be determined</b>	<b>0.5 AC</b>
<b>School (with Playfields/Public Park = 10.2 AC)</b>	<b>size to be determined</b>	<b>5.2 AC</b>
<b>Parks (includes 5 acres School Playfields)</b>	<b>0.83 AC to 6.5 AC</b>	<b><u>23.3 AC</u></b>

<b>Terraces</b>	<b>1.2 AC to 7.5 AC</b>	<b>15 AC</b>
<b>Slopes</b>	<b>not applicable</b>	<b>185 AC</b>
<del>Combined Industrial/ Commercial</del>	<del>450,000 Sq. Ft.</del>	<del>28 AC</del>
<del>Heavy Industrial</del>	<del>180,000 Sq. Ft.</del>	<del>27 AC</del>
<u>Industrial Park</u>	<u>1,440,000 Sq. Ft.</u>	<u>55 AC</u>

Amend Chapter 3.2.b – Design Standards; Density; Communications Hill Specific Plan as follows:

4. The Horizon 2000 General Plan states that multi-family housing on Communications Hill should range in density between 25 to ~~40~~50 units per acre. The Specific Plan permits up to ~~4000~~5421 units for all residential development and requires a density of at least 24 units per net developable acre on each block.

Amend Pg. 56, Figure 37: This figure, Land Use Map, should be amended to reflect the proposed amendments.

- Add land use designation High Density Residential (25-50 DU/AC).